

LSC Greenbook

Analysis of the Enacted Budget

State Board of Registration for Professional Engineers and Surveyors

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July 2015

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ATTACHMENT:

Budget Spreadsheet By Line Item

State Board of Registration for Professional Engineers and Surveyors

- Budget of \$993,889 in each fiscal year
- Revenues tend to be higher in even-numbered fiscal years due to biennial renewal cycle

OVERVIEW

Agency Overview

The State Board of Registration for Professional Engineers and Surveyors (ENG) regulates the professions of engineering and surveying to protect the public by ensuring that only properly qualified individuals and businesses become registered, and that the registrants follow the established standards and codes of ethics. Approximately 28,000 professional engineers and surveyors as well as almost 2,800 firms are licensed in the state. ENG's governing body consists of five members appointed by the Governor, including four professional engineers (one of whom must also be a professional surveyor) and one professional surveyor. The Board must meet at least twice per year but generally meets about seven times per year. Members receive a per diem amount fixed by state law when attending to Board matters and are reimbursed for expenses incurred in the discharge of their duties. ENG's day-to-day operations are handled by an executive director and nine full-time staff.

Appropriation Overview

The budget provides \$993,889 in each fiscal year for ENG operations, which is a 22.1% increase compared to FY 2015 spending of \$814,268. ENG receives no GRF funding; rather, it is entirely supported by licensing and application fees that are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90).

Operating Revenues

The primary source of operating income for the occupational licensing boards is licensing fees. Table 1 shows the current fees charged by ENG.

Table 1. License Fees	
License Fee	Amount
Standard or NCEES Professional Surveyor Comity Application	\$455
Standard or NCEES Professional Engineer Comity Application	\$415
Dual Registration Biennial Renewal (Professional Engineer and Professional Surveyor)	\$80
Principles and Practice of Engineering (PE) and Surveying (PS) Exam Application	\$75
Final Registration Fee for Engineers and Surveyors passing PE and PS Exam	\$50
Firm Certificate of Authorization Application Fee	\$50
Firm Certificate of Authorization Biennial Renewal Fee	\$50
Professional Engineer/Professional Surveyor Biennial Renewal	\$40
Fundamentals of Engineering (FE)/Fundamentals of Surveying (FS) Exam Application	\$25
Reciprocal License Verification Request Fee	\$24

Note: NCEES refers to the National Council of Examiners for Engineering and Surveying.

Fees collected by ENG are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90). Twenty-six occupational licensing and regulatory boards and commissions, including ENG, use Fund 4K90 as an operating account into which receipts are deposited and from which expenses are paid. Although Fund 4K90 is a shared operating pool, each licensing board or commission is expected to be self-sufficient by generating enough income to cover expenses. Table 2 below shows ENG's operating revenue and expenditure history from FY 2010 to FY 2015. Because of the change to a biennial license renewal cycle beginning in FY 2012, receipts for that year increased by just over \$600,000 to \$1.7 million when compared to FY 2011 collections of \$1.1 million. Subsequently, FY 2013 revenue decreased to \$600,000. In the FY 2014-FY 2015 biennium, revenues outpaced expenditures by nearly \$685,000, an increase of over \$100,000 (17.3%) from the FY 2012-FY 2013 biennium.

Table 2. Revenues and Expenditures, FY 2010 to FY 2015						
	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Revenues	\$1,048,336	\$1,098,782	\$1,723,821	\$599,995	\$1,743,234	\$633,917
Expenditures	\$856,889	\$889,734	\$907,675	\$833,891	\$879,652	\$814,268
Net	\$191,477	\$209,048	\$816,146	-\$233,896	\$863,582	-\$180,351

ANALYSIS OF ENACTED BUDGET

ENG's operations are funded by a single line item appropriation within the Occupational Licensing and Regulatory Fund (Fund 4K90). The table below shows the appropriation for the line item.

Appropriation for ENG					
Fund	ALI and Name		FY 2016	FY 2017	
Dedicated Purpose Fund Group					
4K90	892609	Operating Expenses	\$993,889	\$993,889	

This appropriation item supports all of ENG's operating expenses, including activities related to licensing, investigations, and enforcement. The budget appropriates \$993,889 in both FY 2016 and FY 2017, a 22.1% increase compared to FY 2015 spending of \$814,268.

Licenses

Table 3 shows the number of active registrations issued by ENG as of the end of FY 2013, FY 2014, and FY 2015. As the table shows, the total number of active registrations decreased slightly between FY 2013 and FY 2014, with the exception of firms. Firm registrations increased by over 20%, mostly attributable to improving economic conditions. In FY 2015, the number of active registrations increased at a higher rate across all registration types.

Registration	FY 2013	FY 2014	% change	FY 2015	% change
Professional Engineer	26,071	25,367	-2.7%	26,540	4.4%
Professional Surveyor	1,380	1,336	-3.2%	1,365	2.1%
Dual Registration	743	701	-5.7%	704	0.4%
Firm	2,232	2,694	20.7%	2,781	3.0%
TOTAL	30,426	30,098	-1.1%	31,390	4.1%

Investigation and Enforcement Statistics

In addition to licensing, ENG investigates complaints and alleged violations of Chapter 4733. of the Revised Code, the statute governing the engineering and surveying professions. As Table 4 below shows, ENG investigated 93 complaints in FY 2015.

Table 4. Enforcement Statistics, FY 2011-FY 2015					
Enforcement Action	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Complaints Investigated	118	118	77	113	93
Complaints Closed	78	80	40	79	67
Formal Investigations Opened	40	39	30	48	38
Formal Investigations Closed	38	45	37	48	33

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FY 2016 - FY 2017 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			Appropriation	FY 2015 to FY 2016	Appropriation	FY 2016 to FY 2017		
			FY 2014	FY 2015	FY 2016	% Change	FY 2017	% Change
Report For Main Operating Appropriations Bill			Version: As Enacted					
ENG State Board of Engineers and Surveyors								
4K90	892609	Operating Expenses	\$ 879,652	\$ 814,268	\$ 993,889	22.06%	\$ 993,889	0.00%
Dedicated Purpose Fund Group Total			\$ 879,652	\$ 814,268	\$ 993,889	22.06%	\$ 993,889	0.00%
State Board of Engineers and Surveyors Total			\$ 879,652	\$ 814,268	\$ 993,889	22.06%	\$ 993,889	0.00%